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### 1. LANL 101, Definitions (Apr 2006)

As used in this subcontract, the following terms have the meanings stated:

- (a) "Contract Administrator" means the representative of LANS authorized to address contractual issues and execute and administer LANS' subcontracts at the Laboratory.
- (b) "Contracting Officer" or "DOE Contracting Officer" means the representative of DOE or NNSA with authority to enter into, administer, and terminate DOE contracts and make related determinations and findings and includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.
- (c) "DEAR" means the DOE Acquisition Regulation at 48 CFR Parts 901 to 970.
- (d) "DOE" means the United States Department of Energy.
- (e) "FAR" means the Federal Acquisition Regulation at 48 CFR Chapter 1.
- (f) "Government" means the United States of America.
- (g) "Head of Agency" means the Secretary, Deputy Secretary, or Under Secretary of DOE or the Administrator of NNSA.
- (h) "Laboratory" or "LANL" means the Los Alamos National Laboratory, a federally funded research and development center owned by DOE.
- (i) "NNSA" means the National Nuclear Security Administration.
- (j) "LANS" means Los Alamos National Security, LLC, a limited liability company, which operates the Laboratory for DOE pursuant to Contract No. DE-AC52-06NA25396.
- (k) "Days" means calendar days unless otherwise provided.

### 2. LANL 102, Assignment of Subcontracts (Apr 2006)

LANS may assign this subcontract to the Government or its designee. Except as to the assignment of payments due, the Subcontractor shall have no right to assign or mortgage the subcontract or any part of it without the prior written approval of the Contract Administrator.

#### 3. LANL 103-A, Disputes (Jul 2006)

- (a) Definitions. For purposes of this clause:
  - 1) "Board" means the DOE Board of Contract Appeals or such successor Board as is authorized to resolve contractual disputes between the Department of Energy and its contractors.
  - 2) "Arbitration decision" means a decision of the Board in an arbitration pursuant to this clause.
  - 3) "Claim" means a written demand or written assertion by either contracting party seeking as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of a subcontract term, or other relief arising under or relating to this subcontract. A voucher, invoice, or other request for payment or equitable adjustment under the terms of the subcontract that is not in dispute when submitted is not a claim. The Subcontractor may convert such submission

into a claim if it is disputed either as to liability or amount, or is not acted upon in a reasonable time, by demanding a decision by the Contract Administrator.

- 4) "Counterclaim" means a claim asserted in a pleading filed with the Board in an arbitration proceeding pursuant to this clause which arises from the same occurrence or transaction that is the subject matter of the opposing party's claim. Counterclaims do not need to be submitted to the Contract Administrator for decision.
- 5) "Rules of the Board' means the Board's rules promulgated at 10 CFR Part 1023 as is authorized to resolve contractual disputes between the Department of Energy and its contractors.
- (b) Nature of the Subcontract. This subcontract is not a Government contract and, therefore, is not subject to the Contract Disputes Act of 1978 (41 U.S.C. §§601-613). The Subcontractor acknowledges that DOE is not a party to the subcontract and, for purposes of the subcontract, LANS is not an agent of DOE. Consequently, the provision for arbitration by the Board, as provided for in this clause, does not create or imply the existence of privity of contract between the Subcontractor and DOE.
- (c) Scope of Clause. The rights and procedures set forth in this clause are the exclusive rights and procedures for resolution of all claims and disputes arising under, or relating to, this subcontract, and no action based upon any claim or dispute arising under, or relating to, this subcontract shall be brought in any court except as provided in this clause. The parties shall be bound by any arbitration decision rendered pursuant to this clause, which shall be vacated, modified, or corrected only as provided in the Federal Arbitration Act (9 U.S.C. §§1-16). An arbitration decision may only be enforced in any court of competent jurisdiction in the State of New Mexico.
- (d) Filing a Claim/Contract Administrator's Decision.
  - 1) Unless otherwise provided in this subcontract, the Subcontractor must file any claim against LANS within 60 Days after the Subcontractor knew or should have known the facts giving rise to the claim. Failure to file a claim within the period prescribed by this paragraph shall constitute a waiver of the Subcontractor's right, if any, to an equitable adjustment under the subcontract.
  - 2) The Subcontractor shall submit any claim in writing to the Contract Administrator who shall issue a decision on the matter within 60 Days of receipt of the claim. If the Contract Administrator fails to issue a decision within 60 Days, the Subcontractor may request mediation or demand for arbitration as provided in paragraphs (e) and (f) of this clause.
  - 3) LANS may, at any time prior to final payment under the subcontract or expiration of any warranty period, whichever is later, file a claim against the Subcontractor by issuing a written decision by the Contract Administrator asserting such a claim.
  - 4) The decision of the Contract Administrator shall be final and conclusive unless the Subcontractor requests mediation or demands arbitration in accordance with the terms of this clause.
- (e) Request for Mediation.
  - If the decision of the Contract Administrator is not satisfactory to the Subcontractor or the Contract Administrator has failed to timely issue a decision in accordance with subparagraph (d)
     of this provision and the Subcontractor desires to pursue further action, the Subcontractor may request that the matter be scheduled for mediation. The request for mediation must be made within 45 Days after receipt of the Contract Administrator's decision.

- 2) If the Contract Administrator believes that mediation of the dispute is likely to lead to a satisfactory resolution, he or she will so inform the Subcontractor and the matter will be scheduled for mediation. The parties will agree on the format of the mediation and will jointly select the mediator. The cost of the mediator and related expenses shall be divided evenly between the parties.
- 3) If the Contract Administrator decides that mediation is not likely to lead to a satisfactory resolution of the claim, or that a mediation undertaken pursuant to this clause has been unsuccessful, he or she will so inform the Subcontractor in writing.
- (f) Demand for Arbitration. If the decision of the Contract Administrator is not satisfactory to the Subcontractor, or if the Subcontractor's request for mediation has been denied, or a mediation undertaken pursuant to paragraph (e) of this clause has been unsuccessful, or the Contract Administrator has failed to timely issue a decision in accordance with subparagraph (d) 2) of this provision and the Subcontractor desires to pursue further action, the Subcontractor must submit to the Board a written demand for arbitration of the claim within 45 Days after receipt of the Contract Administrator's decision, or within 45 Days after the Contract Administrator notifies the Subcontractor that its request for mediation has been denied or that the mediation undertaken pursuant to paragraph (e) has been unsuccessful, whichever is later.
- (g) Arbitration Procedures/Costs. The Board shall arbitrate the claim and any counterclaims in accordance with the Rules of the Board. All claims for \$100,000 or less shall be arbitrated under the Board's Small Claims (Expedited) Procedure (Rule 13). All other claims, regardless of dollar amount, shall be arbitrated under the Board's Accelerated Procedure (Rule 14). Both parties shall be afforded an opportunity to be heard and to present evidence in accordance with the Rules of the Board. Unless the Board orders otherwise, each party shall pay its own costs of prosecuting or defending an arbitration before the Board.
- (h) Review of Arbitration Decision. An arbitration decision shall be final and conclusive unless a party files a timely action to vacate, modify, or correct the decision pursuant to the Federal Arbitration Act.
- (i) Subcontractor Performance Pending Claim Resolution. The Subcontractor shall proceed diligently with performance of the subcontract and shall comply with any decision of the Contract Administrator pending final resolution of any claim or dispute arising under, or relating to, the subcontract.
- (j) Choice of Law. The subcontract shall be governed by federal law as provided in this paragraph. Irrespective of the place of award, execution, or performance, the subcontract shall be construed and interpreted, and its validity determined, according to the federal common law of government contracts as enunciated and applied to prime government contracts by the federal boards of contract appeals and federal courts having appellate jurisdiction over their decisions rendered pursuant to the Contract Disputes Act of 1978. The Federal Arbitration Act, other federal statutes, and federal rules shall govern as applicable. To the extent that federal common law of government contracts is not dispositive, the laws of the State of New Mexico shall apply.
- (k) Interest. Interest on amounts adjudicated due and unpaid by a party shall be paid from the date the complaining party files a demand for arbitration with the Board. Interest on claims shall be paid at the rate established by the Secretary of the Treasury of the United States pursuant to Public Law 92-41 (85 Stat. 97).
- 4. LANL 105, Whistleblower Protection for Subcontractor Employees (Mar 2003)
  - (a) This subcontract makes the Subcontractor subject to the regulations at 10 CFR Part 708, DOE contractor Employee Protection Program. The Subcontractor shall inform its employees engaged in

the subcontract work about these regulations by posting a notice at conspicuous places at the subcontract work site which notice shall include the following address where complaints may be filed:

Attention: Whistleblower Protection Officer United States Department of Energy NNSA Los Alamos Site Office 528 35<sup>th</sup> Street Los Alamos, New Mexico 87544

(b) The Subcontractor shall include the substance of this clause, including this paragraph (b), in all lowertier subcontracts entered into pursuant to the subcontract, except for subcontracts for commercial items and components, which are not for commercial services.

### 5. LANL 106, LANS' Right to Offset (Apr 2006)

LANS may collect any amount determined by the Contract Administrator to be owed to LANS by offsetting the amount against any payment due to the Subcontractor under any subcontract it has with LANS issued pursuant to LANS' contract with DOE for management and operation of LANL. Any challenge to the amount of an offset under this clause shall be resolved under the Disputes clause of this subcontract.

- 6. LANL 107, Clauses Incorporated by Reference (May 2006)
  - (a) The Federal Acquisition Regulation (FAR) and the DOE Acquisition Regulation (DEAR) clauses listed below, which are codified in Chapters 1 and 9, respectively, of Title 48 of the Code of Federal Regulations, are, as prescribed below, incorporated into the subcontract by this reference as a part of these General Provisions with the same force and effect as if they were given in full text. The full text of the clauses may be accessed electronically at <a href="http://acquisition.gov/comp/far/index.html">http://acquisition.gov/comp/far/index.html</a> (FAR) and <a href="http://professionals.pr.doe.gov/ma5/MA-5Web.nsf/Procurement/Acquisition+Regulation?OpenDocument">http://professionals.pr.doe.gov/ma5/MA-5Web.nsf/Procurement/Acquisition+Regulation?OpenDocument</a> (DEAR).
  - (b) The Subcontractor is bound by each of the FAR and DEAR clauses listed in this clause to the same extent that a prime contractor would be bound to the Government in a prime contract with the same clauses. The application of these clauses to the subcontract is governed solely by the provisions of this clause and not by guidance provided in the FAR and DEAR.
  - (c) Wherever necessary to make the context of the unmodified FAR and DEAR clauses applicable to this subcontract:
    - 1) The term "Contractor" and "contract" shall mean "Subcontractor" and "subcontract," except when the reference is to the "prime contractor" and "prime contract;"
    - 2) The term "Government," "Contracting Officer" and equivalent phrases shall mean "LANS and/or LAN'S representative"; except the terms "Government" and "Contracting Officer" do not change:
      - (i) In the phrases "Government Property," "Government-Furnished Property," and "Government-Owned Property;"
      - (ii) In any patent clauses incorporated herein;
      - (iii) When a right, act, authorization or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or his duly authorized representative;
      - (iv) When title to property is to be transferred directly to the Government;

- (v) When access to proprietary financial information or other proprietary data is required except for authorized audit rights; and
- (vi) Where specifically modified herein.
- For authorized audit rights, the term "Contracting Officer, or an authorized representative of the Contracting Officer" shall also include "LANS, or an authorized representative of LANS."
- (d) The following clauses apply to this subcontract regardless of the amount of the subcontract price, unless otherwise noted:
  - 6-1 FAR 52.222-3, Convict Labor (Jun 2003)
  - 6-2 FAR 52.222-21, Prohibition of Segregated Facilities (Feb 1999)
  - 6-3 FAR 52.222-26, Equal Opportunity (Apr 2002) (Paragraphs (b)(1) through (b)(11) only are applicable to this Subcontract.)
  - 6-4 FAR 52.223-3, Hazardous Material Identification and Material Safety Data (Jan 1997) Alternate I (Jul 1995) (As used in this clause, the "Government" means "LANS and the Government.")
  - 6-5 FAR 52.225-13, Restrictions on Certain Foreign Purchases (Mar 2005)
  - 6-6 FAR 52.227-3, Patent Indemnity (Apr 1984)
  - 6-7 FAR 52.232-8, Discounts for Prompt Payment (Feb 2002)
  - 6-8 FAR 52.232-9, Limitation on Withholding of Payments (Apr 1984)
  - 6-9 FAR 52.232-11, Extras (Apr 1984)
  - 6-10 FAR 52.232-23, Assignment of Claims (Jan 1986)
  - 6-11 FAR 52.243-1, Changes-Fixed Price (Aug 1987)
  - 6-12 FAR 52.244-6, Subcontracts for Commercial Items (Dec 2004)
  - 6-13 FAR 52.246-2, Inspection of Supplies Fixed Price (Aug 1996)
  - 6-14 FAR 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003)
  - 6-15 FAR 52.249-1, Termination for Convenience of the Government (Fixed-Price)(Short Form) (Apr 1984)
  - 6-16 DEAR 952.250-70, Nuclear Hazards Indemnity Agreement (Jun 1996)
- (e) The following clause applies only if the subcontract price is between \$2,500 and \$25,000:
  - 6-17 FAR 52.225-1, Buy American Act Supplies (Jun 2003)
- (f) The following clauses apply only if the subcontract price is \$10,000 or more:
  - 6-18 FAR 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998)
- (g) The following clause applies only if the subcontract price is \$25,000 or more:
  - 6-19 FAR 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001)
  - 6-20 FAR 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001)
- (h) The following clauses apply only if the subcontract price exceeds \$100,000:
  - 6-21 FAR 52.203-6, Restrictions on Subcontractor Sales to the Government (Jul 1995) Alternate I (Oct 1995)
  - 6-22 FAR 52.203-7, Anti-Kickback Procedures (Jul 1995) (Paragraph (c)(1) is deleted and does not apply to this Subcontract.)

- 6-23 FAR 52.203-10, Price or Fee Adjustment for Illegal or Improper Activity (Jan 1997) (In paragraph (d) only of this clause, the term "Government" means "Government or LANS.")
- 6-24 FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions (June 2003)
- 6-25 FAR 52.215-2, Audit and Records Negotiation (June 1999)
- 6-26 FAR 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004)
- 6-27 FAR 52.223-13, Certification of Toxic Chemical Release Reporting (Aug 2003) [solicitation provision]
- 6-28 FAR 52.223-14, Toxic Chemical Release Reporting (Aug 2003) (excluding paragraph (e) of this clause)
- 6-29 FAR 52.227-1, Authorization and Consent (Aug 2002)
- 6-30 FAR 52.229-3, Federal, State, and Local Taxes (Apr 2003)
- 6-31 FAR 52.242-13, Bankruptcy (Jul 1995)
- 6-32 FAR 52.244-2, Subcontracts (Aug 1998) (Paragraphs (e) and (k) of this clause are deleted and do not apply to this Subcontract.)
- 6-33 FAR 52.247-63, Preference for U.S.-Flag Air Carriers (Jun 2003)
- 6-34 FAR 52.249-8, Default (Fixed-Price Supply and Service) (Apr 1984)
- 6-35 DEAR 970.5227-5, Notice and Assistance Regarding Patent and Copyright Infringement (Aug 2002)
- (i) The following clauses apply only if the subcontract price exceeds \$500,000:
  - 6-36 DEAR 952.226-74, Displaced Employee Hiring Preference (Jun 1997)
  - 6-37 DEAR 970.5226-2, Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Dec 2000)
- (j) The following clause applies only if the subcontract price exceeds \$500,000 and offers subcontracting opportunities:
  - 6-38 FAR 52.219-8, Utilization of Small Business Concerns (May 2004)
- (k) The following clauses apply only if the subcontract price exceeds \$500,000 and the Subcontractor is a large business and FAR 52.219-8 is included:
  - 6-39 FAR 52.219-9, Small Business Subcontracting Plan (Jan 2002)
  - 6-40 FAR 52.219-16, Liquidated Damages Subcontracting Plan (Jan 1999)
- (I) The following clauses apply only when contracting by negotiation and the Subcontractor was required to submit Cost or Pricing Data (as defined in FAR 2.101):
  - 6-41 FAR 52.215-10, Price Reduction for Defective Cost or Pricing Data (Oct 1997)
  - 6-42 FAR 52.215-12, Subcontractor Cost or Pricing Data (Oct 1997)
- (m) The following clauses apply only when contracting by negotiation, and the Subcontractor was required to submit Cost or Pricing Data (as defined in FAR 2.101), and FAR 52.215-10 has not be included:
  - 6-43 FAR 52.215-11, Price Reduction for Defective Cost or Pricing Data Modifications (Oct 1997)
  - 6-44 FAR 52.215-13, Subcontractor Cost or Pricing Data Modifications (Oct 1997)
- (n) The following clause applies only if the subcontract price exceeds \$550,000 and the Subcontractor was required to submit Cost or Pricing Data (as defined in FAR 2.101), or where preaward or

postaward cost determinations will be subject to FAR Part 31, Contract Cost Principles and Procedures:

- 6-45 FAR 52.215-15, Pension Adjustments and Asset Reversions (Oct 2004)
- (o) The following clause applies only if the subcontract price exceeds \$100,000, is for non-commercial items, and may require or involve the substantial employment of laborers or mechanics:
  - 6-46 FAR 52.222-4, Contract Work Hours and Safety Standards Act Overtime Compensation (Sept 2000)
- (p) The following clauses apply only if the statement of work requires the design, development, or operation of a system of records on individuals:
  - 6-47 FAR 52.224-1, Privacy Act Notification (Apr 1984)
  - 6-48 FAR 52.224-2, Privacy Act (Apr 1984)
- 7. LANL 120, Walsh-Healey Public Contracts Act (Apr 2006)

If this subcontract is for the manufacture or furnishing of materials, supplies, articles, or equipment in an amount which exceeds or may exceed \$10,000.00 and is otherwise subject to the Walsh-Healy Public Contracts Act, as amended (41 U.S.C. 35), there are hereby incorporated by reference all representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect.

- 8. LANL 127, Non-Waiver (May 2006)
  - (a) None of the following shall operate as, or be deemed to be, a waiver or release of Subcontractor's obligations under this subcontract:
    - 1) Failure by LANS to insist upon strict performance of any terms or conditions of this subcontract;
    - 2) Failure or delay to exercise any rights or remedies provided herein or by law;
    - 3) The acceptance of or payment for any goods or services hereunder;
    - 4) Failure to properly notify Subcontractor in the event of breach of any obligation;
    - 5) The review or failure by LANS to review Subcontractor submissions;
    - 6) The inspection and test by LANS or the failure to inspect and test the work; and
    - 7) The termination either in whole or in part of work under this subcontract.
  - (b) LANS reserves the right to insist upon strict performance hereof, and to exercise any of its rights or remedies as to any prior or subsequent default hereunder.
- 9. LANL 130, Subcontracts with LANS' Team Members and Team Member Affiliates (Jul 2006)
  - (a) As used in this provision:

- 1) Team Members means any of the following entities: Bechtel National, Inc., the Regents of the University of California, Washington Group International, Inc., BWX Technologies, Inc., Professional Project Services, Inc. and DreamTech Solutions, LLC doing business as Ngenuity.
- 2) Team Member Affiliate means any person or entity which is a wholly owned, majority owned, or otherwise an affiliate of any Team Member. The term 'affiliate' is defined at FAR. 2.101.
- (b) Because of restrictions in the contract between NNSA and LANS concerning the payment of fee or profit when subcontracting with any Team Member or any Team Member Affiliate, as well as Organizational Conflict of Interest concerns, neither a Subcontractor nor any tier of its lower tier subcontractors or suppliers shall enter into a subcontract with any Team Member or any Team Member Affiliate to provide goods or services under this subcontract without the advance written approval of the Contract Administrator.
- (c) Subcontractors shall include the substance of this provision in all lower tier subcontracts and purchase orders.

## 10. LANL 220, New Mexico Gross Receipts Tax (Jul 2006)

The Subcontractor is required to pay such New Mexico Gross Receipts Tax (NMGRT) as may be required by law. LANS will issue a New Mexico Nontaxable Transaction Certificate (NTTC) to all Subcontractors who provide goods or services to LANS, on the condition that the Subcontractor only use the NTTC as permitted by New Mexico law. In no event will the payment of NMGRT by the Subcontractor or its immediate and lower-tier subcontractors be considered an allowable cost under this subcontract if the Subcontractor or its immediate and lower-tier subcontractors are eligible for applicable deductions or exemptions from NMGRT under New Mexico law.

#### 11. LANL 320, Nuclear Hazards Indemnity and Price Anderson Act (Jul 2006)

- (a) The provisions of 48 CFR 952.250-70, Nuclear Hazards Indemnity Agreement, are incorporated by reference into this subcontract to the extent the subcontract involves a risk of public liability, as that term is defined in the Atomic Energy Act of 1954, as amended. Subcontractor shall flow down this provision to all lower-tier subcontractors and suppliers unless expressly waived in writing by the Contract Administrator.
- (b) The U.S. Department of Energy (DOE) will indemnify Subcontractor against (1) claims for public liability, and (2) legal costs arising from any nuclear incidence, in accordance with the provisions of 48 CFR 952.250-70.
- (c) The Department of Energy has promulgated Procedural Rules (10 CFR 820) and Quality Assurance (10 CFR 830 Subpart A), Occupational Radiation Protection Rules (10 CFR 835), and Worker Health and Safety Program (10 CFR 851) in implementation of the Price Anderson Amendment Act (PAAA) of 1988, Public Law 100-408, August 20, 1988, as amended. These rules govern the conduct of persons involved in DOE nuclear activities, and in particular, are designed to achieve compliance with DOE safety issues. Violation of the applicable rules will provide a basis for the assessment of civil and criminal penalties.
- (d) The Subcontractor shall indemnify LANS for any civil penalties levied against LANS, pursuant to Section 234A of the Atomic Energy Act of 1954 as amended, for any violations of applicable DOE safety related rules, regulations, or orders committed by Subcontractor or its lower-tier subcontractors and suppliers.

12. <u>LANL 325, Commercial Activities (May 2006)</u> [This clause applies only if work is performed on-site at Los Alamos National Laboratory.]

Neither Subcontractor nor its employees shall establish any commercial activity or issue concessions or permits of any kind to third parties for establishing commercial activities on the site or any other lands owned or controlled by LANS or Government.

13. LANL 516, Standards, Publications, And Other Authorities Incorporated By Reference (Jun 2002)

Unless otherwise specifically provided, the current edition of each publication, standard, or other authority incorporated by reference into the Specifications shall govern. "Current edition" means that revision in effect on the latest date of the solicitation or any addenda to the solicitation. In the event of a discrepancy or conflict between any such publications, standards or other authorities incorporated by reference and any express provision of the subcontract, the subcontract shall govern.

### 14. LANL 601, Shipments (Apr 2006)

(a) If the f.o.b. information in the subcontract specifies shipping "Frt Col" (Freight Collect), the notation below must appear on the bill of lading or express receipt. Excess costs will be deducted from the amount invoiced if the goods are not shipped collect.

"This shipment is for the account of the U.S. Government, which will assume the freight charges. It is subject to the terms and conditions set forth in the standard form of the U.S. Government's bill of lading and to any available special rates or charges."

(b) If the f.o.b. information in the subcontract specifies shipping "Frt Prpd & Add" (Freight Prepaid and Add), the following notation must appear on the bill of lading or express receipt:

"Transportation is for the U.S. Department of Energy and the actual total transportation charges paid to the carrier(s) by the consignor or consignee shall be reimbursed by the Government through Los Alamos National Security, LLC pursuant to cost-reimbursement contract No. DE-AC52-06NA25396. This may be confirmed by contacting

[Subcontractor insert Name and Address of Contract Administrator as it appears in the subcontract schedule]."

#### 15. LANL 602, Declared Valuation of Shipments (Apr 2006)

Except as otherwise provided on the face of the subcontract document, all shipments by the Subcontractor under the subcontract for LANS' account shall be made at the maximum declared value applicable to the lowest transportation rate or classification, and the bill of lading shall so note it.

#### 16. LANL 603, Document Approval (Dec 2002)

- (a) If the subcontract requires the Subcontractor to furnish shop drawings, specifications, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and/or test data, such documents must have Contract Administrator approval prior to performance of the subcontract. The Subcontractor is advised that approval by the Contract Administrator shall not relieve the Subcontractor from responsibility for any errors or omissions in such documents, or from responsibility from complying with the requirements of the subcontract, except as outlined in paragraph (b) below. Any work done prior to such approval shall be at the Subcontractor's risk.
- (b) If the above listed documents show variations from subcontract requirements, the Subcontractor shall describe such variations in writing at the time of submission. If the Contract Administrator approves any such variation(s), a subcontract modification will be issued to incorporate the variation(s).

#### 17. LANL 604, Title (Apr 2006)

- (a) Title to goods or services purchased hereunder shall pass directly from the Subcontractor to the Government at the f.o.b. point shown, subject to LANS' right to reject nonconforming goods upon inspection.
- (b) Identification. To the extent directed by the Contract Administrator, the Subcontractor shall identify DOE property coming into the Subcontractor's possession or custody, by marking and segregating in such a way, satisfactory to LANS, as shall indicate the ownership by the Government.

### 18. LANL 605, Warranty (Apr 2006)

- (a) Notwithstanding any other provisions of the subcontract, the Subcontractor warrants that the goods or services furnished shall be of the most suitable grade and exactly as specified in the subcontract. Such warranty shall include the following: performance, workmanship, labor, materials, and the Subcontractor's design or engineering contributions. If a defect is discovered in any goods or services covered in the subcontract, the Subcontractor shall correct at its expense such defects as are reported within one year of final acceptance or such longer period as the Subcontractor may offer in its most favorable applicable warranty. Upon expiration of the applicable warranty period, all such liability shall terminate except for fraud or such gross mistakes as amount to fraud, latent defects, or specific failure to comply with the terms of the subcontract. This warranty is in addition to the Warranty in Paragraph (b).
- (b) The Subcontractor agrees that goods or services furnished under the subcontract shall be covered by the most favorable commercial warranties the Subcontractor gives to any customer for the same or substantially similar goods and the Subcontractor shall furnish copies of same to LANS. The rights and remedies provided by such warranties are in addition to and do not limit any right afforded to LANS by any other clause of the subcontract. Such warranties will be effective notwithstanding prior inspection and/or acceptance of the goods by LANS.

### 19. LANL 704, Responsibility for Technology Export Control (Jun 2002)

- (a) The Subcontractor shall comply with all applicable United States export control laws and regulations, including the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 through 130, and the Export Administration Regulations (EAR), 15 CFR Parts 730 through 799 in the performance of this subcontract. In the absence of available license exemptions/exceptions, the Subcontractor shall be responsible for obtaining the appropriate licenses or other approvals, if required, for exports of hardware, technical data and software, or for the provision of technical assistance.
- (b) The Subcontractor shall be responsible for obtaining export licenses, if required, before exporting or allowing access to export-controlled technical data or software to foreign nationals in the performance of this subcontract.
- (c) The Subcontractor shall be responsible for all regulatory record-keeping requirements.
- (d) The Subcontractor shall be responsible for ensuring that this clause, including this paragraph (d), is included in all appropriate lower-tier subcontracts.